

# Sustainable Automotive

# REBATE PROGRAM



## REBATES AVAILABLE

The City of Flagstaff will rebate a portion of the local tax paid for purchases of fuel-efficient automotive vehicles. The current local transaction privilege (sales) tax rate on the purchase of vehicles is 2.281%. (If the vehicle is purchased for out-of-state use, the local use tax rate of 2.281% is paid in lieu of sales tax).

REBATES	LOCAL	NON-LOCAL
All Electric Vehicles	2.0%	1.8%
Hybrid / Plug-in Electric Hybrid Vehicles (Minimum MPG Requirement: 40 MPG City Rating)	1.6%	1.4%
Fuel-Efficient Vehicles (Minimum MPG Requirement: 30 MPG City Rating)	0.7%	0.5%
Income-Based	For those individuals that earn less than \$50,000 per year, there is an additional \$250 incentive available	

## FEDERAL & STATE INCENTIVES

- **FEDERAL:** Depending on make/model/year/buyer's tax status, eligible for **up to \$7,500** in federal tax credits.

Learn more at: <https://www.fueleconomy.gov/feg/taxevb.shtml>

- **STATE:** AFV registered prior to 1/1/22: **1%** of the MSRP  
AFV registered 1/1/22 – 12/31/22: **20%** of the MSRP.

Learn more at: <https://afdc.energy.gov/laws/4179>

## CRITERIA

- Must be sold by a **qualified dealer**, "A seller of motor vehicles within the City of Flagstaff that has a state and local transaction privilege tax license for the sale of motor vehicles."
- Must be purchased by a **qualified purchaser**, "Registered owner of the fuel-efficient vehicle."
- Eligible for rebate while funding lasts and if the purchase was made after the program's effective start date.
- Limit of one rebate per household per year. Limit of five rebates per commercial account.
- If you are applying for the local version of these incentives, you must provide proof of residence.
  - A driver's license with a local Flagstaff address (or),
  - A utility bill with a local Flagstaff address



**CHOOSE  
FLAGSTAFF**  
THE CITY OF INNOVATION

If you have any questions or would like to submit an application, please contact the Business Attraction Manager, **Jack Fitchett** at [jack.fitchett@flagstaffaz.gov](mailto:jack.fitchett@flagstaffaz.gov)

To view the full policy and application visit:

**CHOOSEFLAGSTAFF.COM**